IN THE SPECIFICATION:

Please amend the specification by adding the descriptive material shown below to the end of the paragraph at lines 21-23 at page 21:

The encoding of S-frames according to the invention will be described with reference to Figure 6 which is a block diagram of a frame encoder 3 according to a first embodiment of the invention. The encoder 3 may be carried out in the functional blocks shown in either hardware, software or some combination of hardware and software as known in the art. If carried out in software, the functional blocks shown in Figure 6 are embodied in program code stored on a computer readable medium for execution by a processor embodied in the functional block 3 of Fig. 3 for carrying out the functions of the blocks shown in more detail in Fig. 6. A software embodiment of the transmitter 4 of Fig. 8 may include a computer readable medium resident for instance in the transmitter 4 of Fig. 8 having program code stored thereon, wherein a processor may retrieve and execute the program code in order to carry out the functions shown in Fig. 6 and transmit an encoded video signal to the streaming server 5 via the transmitter 4 for storage in the memory 6 or for relay directly to the decoder 8 via the receiver 7.